

3 February 1987

# Casey quits CIA; deputy named to job

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WASHINGTON — William J. Casey, stricken by a brain tumor that has impaired his ability to talk and walk, has resigned as CIA director, the White House announced yesterday.

President Reagan nominated Deputy Director Robert M. Gates, a veteran CIA official, to succeed Casey.

Casey, 73, who is a longtime personal friend of the President's and managed his 1980 presidential campaign, entered Georgetown University Hospital Dec. 15 after suffering seizures. He underwent surgery three days later for the partial removal of a lymphoma, a particularly pernicious cancer from which doctors say there is only the slimmest hope of full recovery.

Because of Reagan's friendship with Casey, the President was reluctant to ask for his resignation, preferring to wait until the director was well enough to assess his health and his prognosis.

Casey, according to presidential spokesman Marlin Fitzwater, summoned Attorney General Edwin Meese 3d and White House chief of staff Donald T. Regan to the hospital on Thursday afternoon and told them of his decision to resign.

On Friday morning, Fitzwater said, Reagan met with Gates at the White House and offered him the job of CIA director.

Gates' nomination is subject to Senate approval. Hearings before the Senate Intelligence Committee, chaired by David L. Boren (D., Okla.), are scheduled to begin Feb. 17. In the meantime, said Fitzwater, Gates will continue to run the agency, as he has done since Casey entered the hospital.

It has been known for several weeks that the White House was looking for a replacement for Casey. Former Senate Majority Leader Howard H. Baker Jr. (R., Tenn.) and FBI Director William H. Webster were both reportedly sounded out about the job.

The President tried to cushion Casey's departure, saying in the letter accepting his resignation that he wanted him to serve as counselor to the president "whenever you feel your recovery is sufficient to assume those responsibilities."

Casey's hospitalization came shortly after he had testified to the Intelli-



Robert M. Gates

Faces Senate confirmation hearings

gence Committee about his knowledge of American arms sales to Iran and the alleged diversion of money from those sales to assist the U.S.-backed contras in Nicaragua.

Several committee members complained that Casey had not been forthcoming on some of the key elements in the case and had failed to explain fully how, when and why the CIA became involved in helping to arrange the diversion of money to help the contras.

It was unclear whether Casey will be able to testify again.

One member of the House Select Committee on Intelligence, Dave McCurdy (D., Okla.), said that people who had spoken with Casey reported that "his mind is alert, but he is having difficulty communicating."

Investigators say the arms shipments apparently were managed from the White House by Marine Lt. Col. Oliver L. North, a National Security Council staff member, and his boss, Vice Adm. John M. Poindexter, the President's national security adviser. Reagan fired North after the contra-diversion scheme was disclosed, and Poindexter resigned. Both have since cited their Fifth Amendment right against self-incrimination in refusing to testify before congressional committees investigating the case.

There is a perception in some congressional quarters that Gates, too, may not have disclosed all that he

knew about the Iran-contra case. His confirmation hearings, said one Capitol Hill staff member, "could heat up a little over this issue. Some members might see this as an opportunity to revisit the CIA's role in Iranscam."

Some members of Congress have complained that the administration, including the CIA, neglected to keep the appropriate committees informed on a timely basis about the covert operations. Boren and others, including Sen. William S. Cohen (R., Maine), the intelligence panel's vice chairman, have suggested that this violated laws requiring notification about covert activities.

Cohen said yesterday that congressional oversight of the CIA "can best be carried out when there is a sense of comity and cooperation on both sides. I trust Mr. Gates will operate in this spirit and provide full and complete information as required by Congress."